

The background of the slide is a close-up, slightly blurred image of the American flag, showing the stars and stripes. The lighting is dramatic, with a bright glow in the upper right corner, suggesting a sunrise or sunset. The text is overlaid on the left side of the flag.

# Election 2024 Potential Impacts:

## **Environment**

Wednesday, October 30, 2024

# Holland & Knight

# Trump vs Harris

## **Trump Priorities**

- Executive Orders
- Major deregulatory effort
- Shrinking the bureaucracy
- Clawback of funding
- Increase compliance vs enforcement
- TSCA & Superfund
- General reforms

## **Harris Priorities**

- Continued focus on climate and environmental justice
- Expansion of IRA & IIJA

# Congressional Outlook

## Importance of Nominations

### **Possible Scenarios**

- Unified Republican Control
- Unified Democrat Control
- Divided Government

### **Bipartisan Interests**

- China
- Infrastructure
- Permitting Reform

# *Loper Bright*

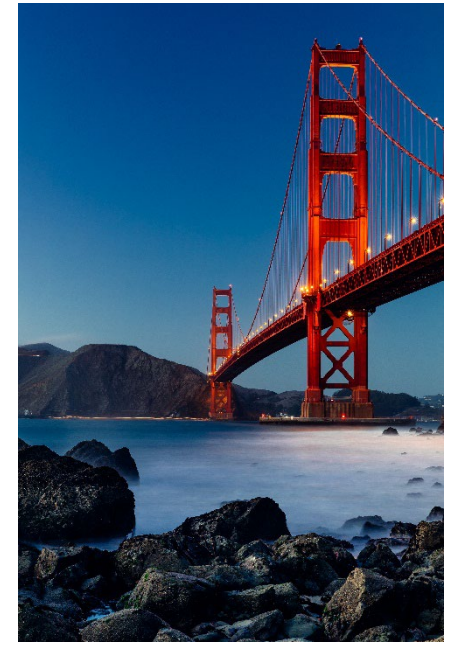
## Possible Impacts of Overturning Chevron

- Climate policy
- IRA
- Clean Water Act
- SEC Climate Disclosure
- PFAS CERCLA
- TSCA
- Environmental Justice and ESG



# California Environmental Landscape

- Federal laws set the floor for environmental regulation, states can go above and beyond
- Except, in the realm of air quality, only California is allowed to adopt standards for motor vehicles (and other offroad sources) more stringent than the federal government



## A Few of California's Policy Goals

- Carbon neutrality by 2045
- Ban on sale of gas-powered vehicles by 2035
- Phase-out of oil extraction by 2045
- Expand use of natural and working lands
- Continued diversion from landfills
- Plan for 2.5 million homes by 2030



# What will California do in a Harris or Trump Presidency?

- California will do what it has always done, lead the pack on environmental regulation
- California can go its own way and will continue to do so, and continue to push bounds of legal authority in the environmental arena, potentially more so in a Trump administration in response
- Focus on carbon neutrality, grid hardening, electrification, development of renewable resources will not change
- Previously, California filed 100+ lawsuits against federal government in Trump's time
- If Harris wins, will she and the federal government follow California?

# Vehicle Emission Standards

- Under Clean Air Act section 209, California is the only state allowed to adopt more stringent emissions standards for new motor vehicles than federal standards
  - EPA approves via waivers for on road sources and authorizations for offroad sources
  - Via section 177, other states can choose to adopt California's more stringent standards
  - EPA has never denied a waiver to California
  - Trump previously rescinded a waiver for Advanced Clean Cars I, which imposes GHG emission standards and zero emission (ZE) mandates for passenger and light-duty vehicles for model years 2015-2025
  - Waiver was reinstated by Biden administration
  - Trump presidency will likely see another attack on waiver process

# Vehicle Emission Standards

- Pending waivers and authorization may be denied:
  - Advanced Clean Cars II
  - Advanced Clean Fleets
  - Heavy-Duty Low NOx Omnibus
  - In-Use Locomotive
  - Transport Refrigeration Units (TRU)
  - Commercial Harbor Craft
  - In-Use Off-Road Diesel-Fueled Fleets
- Others previously granted may be rescinded
  - Advanced Clean Cars I - GHG emissions and ZE passenger car standards for MY 2021-2025
    - Currently being litigated in *Ohio v. EPA* – cert petition filed July 2



# Vehicle Emission Standards

- What might California do in anticipation or in response?
  - In 2019 state signed agreement with manufacturers to lessen impact of prior waiver rollback
  - Ford, Volkswagen, Honda, BMW and Volvo agreed to comply with tighter emissions standards regardless of legality (through 2026)
  - Newsom recently completed agreement with Stellantis (Chrysler, Jeep, Dodge) to sign on to 2019 framework (through 2030)



# Rescission of Federal Laws and Regulations

- Other federal regulations may be overturned under Congressional Review Act or revised:
  - Emission standards for MY 2027 and later light- and medium-duty vehicles (May 2024)
  - GHG Powerplant Rule (May 2024)
    - Regulates existing coal-fired and new natural gas-fired powerplants, but not existing natural gas units
  - Renewable energy modernization rule (May 2024)
    - DOI, BOEM, BSEE rule to streamline renewable energy development on OCS (offshore wind)
  - GHG Rule for heavy-duty vehicles - Phase 3 (March 2024)
- Rescission of federal tax credits to purchase EVs?

# Other Areas of Impact

- Federal permits or procedures may be denied / slow-walked / used in ways to pressure California
  - Class VI permits from EPA for injection of carbon dioxide for sequestration
  - Offshore wind permits
  - Trump previously attempted to increase water deliveries by altering Endangered Species Act protections
  - Trump previously increased oil and gas drilling on federal lands in California
  - Trump EPA led attacks on various cities in California (charged SF with water quality violations)

